

**UNITED STATES BANKRUPTCY COURT  
EASTERN DISTRICT OF MICHIGAN  
SOUTHERN DIVISION – DETROIT**

In re: )  
CITY OF DETROIT, MICHIGAN, ) Chapter 9  
Debtor. ) Case No. 13-53846  
 )  
 ) Hon. Steven W. Rhodes  
 )

**NATIONAL PUBLIC FINANCE GUARANTEE CORPORATION'S  
JOINDER TO THE RESPONSE OF ASSURED GUARANTY MUNICIPAL  
CORP. TO THE MOTION OF DEBTOR, PURSUANT TO SECTIONS 105,  
501 AND 503 OF THE BANKRUPTCY CODE AND BANKRUPTCY RULES  
2002 AND 2003(c), FOR ENTRY OF AN ORDER ESTABLISHING BAR  
DATE FOR FILING PROOFS OF CLAIM AND APPROVING FORM AND  
MANNER OF NOTICE THEREOF**

National Public Finance Guarantee Corporation (“National”), by and through its undersigned counsel, hereby submits this joinder (the “Joinder”) to the response (the “Response”) of Assured Guaranty Municipal Corp. (“Assured”) [Docket No. 1460] to the Motion of Debtor, Pursuant to Sections 105, 501 And 503 of the Bankruptcy Code and Bankruptcy Rules 2002 and 2003(c), for Entry of an Order (the “Proposed Bar Date Order”) Establishing Bar Date for Filing Proofs of Claim and Approving Form and Manner of Notice Thereof [Docket No. 1146] (the “Bar Date Motion”). In support of this Joinder, National respectfully submits as follows:

1. National is a municipal bond insurer and is a creditor and/or party in interest in this chapter 9 proceeding. In particular, National has insured several bonds issued by the City of Detroit (the “City”), including unlimited tax general obligation bonds (the “GO Bonds”), water supply system bonds, and sewage disposal system bonds. National has also insured bonds issued by, or transferred to, various discrete City or State authorities that are entities separate from the City. In aggregate, National has provided insurance for approximately \$2.4 billion of the of the City’s municipal bonds and bonds issued by City authorities.

2. If the City or any of its authorities fail to pay the holders of National-insured bonds the scheduled principal and interest payments when due, National will be required to make such payments as and to the extent required by the National policies. Therefore, National is the true economic party in interest with respect to the liabilities and obligations of the City that National has insured.

3. National hereby joins the Response filed by Assured. The Proposed Modifications<sup>1</sup> will provide for more efficient use of estate resources, will ensure the equitable treatment of all bondholders, including the holders of GO Bonds, and will not prejudice the City or other creditors.

---

<sup>1</sup> Capitalized terms undefined herein shall have the meanings ascribed to them in the Response.

4. As the City suggests in the Bar Date Motion, the proposed notice procedures may not result in the provision of satisfactory notice of the claims bar date to the individual holders of GO Bonds. Allowing the Paying Agents or Bond Insurers to file proofs of claims on behalf of the individual holders of GO Bonds will ameliorate the City's noticing issues and will preserve estate resources and avoid unnecessary litigation.

5. Consequently, National joins the Response and for the reasons stated therein requests that the Court grant the Proposed Modifications to the Proposed Bar Date Order.

WHEREFORE, National respectfully requests that the Court grant the relief requested in the Response and grant such other and further relief as is just and proper.

Dated: October 30, 2013

Respectfully submitted,

/s/ Eric D. Novetsky

JAFFE, RAITT, HEUER & WEISS, P.C.  
Eric D. Novetsky (P71953)  
Louis P. Rochkind (P24121)  
2777 Franklin Road, Suite 2500  
Southfield, MI 48034  
Tel: (248) 351-3000  
Fax: (248) 351-3082  
Email: enovetsky@jaffelaw.com

and

SIDLEY AUSTIN LLP  
Jeffrey E. Bjork  
555 West Fifth Street, Ste. 4000  
Los Angeles, CA 90013  
Tel: (213) 896-6000  
Fax: (213) 896-6600  
Email: jbjork@sidley.com

SIDLEY AUSTIN LLP  
Guy S. Neal  
1501 K Street, N.W.  
Washington, DC 20005  
Tel: (202) 736-8000  
Fax: (202) 736-8711  
Email: gneal@sidley.com

Attorneys for National Public Finance Guarantee Corporation